

Monthly Operating Report

CASE NAME: Superior Air Parts, Inc.
CASE NUMBER: 08-36705-BJH-11
JUDGE:

ACCRUAL BASIS

02/13/95, RWD, 1/96, RWD, 7/99

UNITED STATES BANKRUPTCY COURT

Northern DISTRICT OF Texas

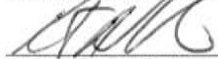
Dallas DIVISION

MONTHLY OPERATING REPORT

MONTH ENDING: July, 2008

I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:



ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

Kent Abercrombie

PRINTED NAME OF RESPONSIBLE PARTY

President

TITLE

8-18-2009

DATE

PREPARER:



ORIGINAL SIGNATURE OF PREPARER

Kent Abercrombie

PRINTED NAME OF PREPARER

President

TITLE

8-18-2009

DATE

CASE NAME: SUPERIOR AIR PARTS, INC.

ACCRUAL BASIS-1

CASE NUMBER: 08-36705-BJH-11

**COMPARATIVE BALANCE SHEET**

ASSETS	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
		5/31/2009	6/30/2009	7/31/2009
1. UNRESTRICTED CASH	412,357	3,938,851	3,137,559	3,134,950
2. RESTRICTED CASH	0	0	0	700,000
3. TOTAL CASH	412,357	3,938,851	3,137,559	3,834,950
a. 4. ACCOUNTS RECEIVABLE (NET)	5,392,055	4,921,427	4,810,234	4,830,282
b. 5. INVENTORY	11,158,744	7,514,758	7,382,740	7,072,721
6. NOTES RECEIVABLE	0	0	0	0
7. PREPAID EXPENSES	85,107	563,816	636,482	494,589
8. OTHER (ATTACH LIST)	13,385	0	0	0
9. TOTAL CURRENT ASSETS	16,649,291	13,000,001	12,829,456	12,397,593
c. 10. PROPERTY, PLANT, & EQUIPMENT	1,062,565	4,461,132	4,462,632	4,462,632
c. 11. LESS: ACCUMULATED DEPRECIATION/DEPLETION	0	3,686,119	3,719,455	3,751,026
12. NET PROPERTY, PLANT & EQUIPMENT	1,062,565	775,013	743,177	711,606
13. DUE FROM INSIDERS	0	0	0	0
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)	0	1,075,031	1,050,576	1,026,121
15. OTHER (ATTACH LIST)	15,471	0	0	0
16. TOTAL ASSETS	18,139,684	18,788,896	17,760,768	17,970,270
<b>POSTPETITION LIABILITIES</b>				
17. ACOCUNTS PAYABLE		900,736	259,997	836,151
18. TAXES PAYABLE		140,760	163,816	186,871
d. 19. NOTES PAYABLE		0	0	0
20. PROFESSIONAL FEES		440,708	394,598	564,675
21. SECURED DEBT				
22. OTHER (ATTACH LIST)		217,942	272,708	293,712
23. TOTAL POSTPETITION LIABILITIES	0	1,700,147	1,091,119	1,881,409
<b>PREPETITION LIABILITIES</b>				
24. SECURED DEBT	10,291,701	10,146,611	10,146,611	10,146,611
25. PRIORITY DEBT	74,641	0	0	0
26. UNSECURED DEBT	16,897,517	16,866,817	16,866,817	16,866,817
27. OTHER (ATTACH LIST)	0	3,310,194	3,310,194	3,310,194
28. TOTAL PREPETITION LIABILITIES	27,263,859	30,323,623	30,323,623	30,323,623
29. TOTAL LIABILITIES	27,263,859	32,023,769	31,414,742	32,205,031
<b>EQUITY</b>				
e. 30. PREPETITION OWNERS' EQUITY		(11,010,850)	(11,010,850)	(11,010,850)
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(2,224,022)	(2,643,123)	(3,223,910)
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)				
33. TOTAL EQUITY	0	(13,234,872)	(13,653,973)	(14,234,760)
34. TOTAL LIABILITIES & OWNERS EQUITY	27,263,859	18,788,897	17,760,769	17,970,271

CASE NAME: SUPERIOR AIR PARTS, INC.

ACCRUAL BASIS-2

CASE NUMBER: 08-36705-BJH-11

**INCOME STATEMENT**

	MONTH	MONTH	MONTH	QUARTER
REVENUES	5/31/2009	6/30/2009	7/31/2009	TOTAL
1. GROSS REVENUES	739,871	627,066	655,585	2,022,522
2. LESS: RETURNS & DISCOUNTS	4,372	5,684	4,081	14,137
3. NET REVENUE	735,499	621,382	651,505	2,008,385
<b>COST OF GOODS SOLD</b>				
4. MATERIAL	545,287	382,978	565,996	1,494,261
5. DIRECT LABOR	0	0	0	0
6. DIRECT OVERHEAD	0	0	0	0
7. TOTAL COST OF GOODS SOLD	545,287	382,978	565,996	1,494,261
8. GROSS PROFIT	190,212	238,404	85,508	514,124
<b>OPERATING EXPENSES</b>				
9. OFFICER/INSIDER COMPENSATION	10,500	11,000	11,500	33,000
10. SELLING & MARKETING	7,038	7,038	10,558	24,634
11. GENERAL & ADMINISTRATIVE	553,637	344,062	349,875	1,247,574
12. RENT & LEASE	37,906	37,614	38,337	113,857
13. OTHER (ATTACH LIST)	0	0	0	0
14. TOTAL OPERATING EXPENSES	609,081	399,714	410,270	1,419,065
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	(418,869)	(161,310)	(324,761)	(904,941)
<b>OTHER INCOME &amp; EXPENSES</b>				
16. NON-OPERATING INCOME (ATT. LIST)	0	0	0	0
17. NON-OPERATING EXPENSE (ATT. LIST)	0	0	0	0
18. INTEREST EXPENSE	0	0	0	0
19. DEPRECIATION/DEPLETION	33,646	33,335	31,571	98,552
20. AMORTIZATION	40,889	24,455	24,455	89,799
21. OTHER (ATTACH LIST)	0	0	0	0
22. NET OTHER INCOME & EXPENSES	74,535	57,790	56,026	188,351
<b>REORGANIZATION EXPENSES</b>				
23. PROFESSIONAL FEES	0	200,000	193,500	393,500
24. U.S. TRUSTEE FEES	0	0	6,500	6,500
25. OTHER (ATTACH LIST)	0	0	0	0
26. TOTAL REORGANIZATION EXPENSES	0	0	0	0
27. INCOME TAX	0	0	0	0
28. NET PROFIT (LOSS)	(493,404)	(419,100)	(580,787)	(1,493,292)

CASE NAME: SUPERIOR AIR PARTS, INC.

ACCRUAL BASIS-3

CASE NUMBER: 08-36705-BJH-11

**INCOME STATEMENT**

CASH RECEIPTS AND DISBURSEMENTS	MONTH	MONTH	MONTH	QUARTER
	5/31/2009	6/30/2009	7/31/2009	TOTAL
1. CASH - BEGINNING OF MONTH	3,411,287	3,938,851	3,111,540	3,411,287
<b>RECEIPTS FROM OPERATIONS</b>				
2. CASH SALES	0	0	0	0
<b>COLLECTION OF ACCOUNTS RECEIVABLE</b>				
3. PREPETITION				0
4. POSTPETITION	922,061	726,702	617,347	2,266,109
5. TOTAL OPERATING RECEIPTS	922,061	726,702	617,347	2,266,109
<b>NON-OPERATING RECEIPTS</b>				
6. LOANS & ADVANCES (ATTACH LIST)	0	0	0	0
7. SALE OF ASSETS	0	0	0	0
8. OTHER (ATTACH LIST)	0	0	700,000	700,000
9. TOTAL NON-OPERATING RECEIPTS	0	0	700,000	700,000
10. TOTAL RECEIPTS	922,061	726,702	1,317,347	2,966,109
11. TOTAL CASH AVAILABLE	4,333,348	4,665,552	4,428,887	6,377,396
<b>OPERATING DISBURSEMENTS</b>				
12. NET PAYROLL	53,023	77,488	60,460	190,971
13. PAYROLL TAXES PAID	20,483	19,553	29,539	69,575
14. SALES, USE, & OTHER TAXES PAID	0	0	72	72
15. SECURED/RENTAL/LEASES	41,938	39,299	42,214	123,451
16. UTILITIES	1,595	1,903	2,730	6,228
17. INSURANCE	60,579	384,536	27,600	472,716
18. INVENTORY PURCHASES	184,169	452,077	336,203	972,449
19. VEHICLE EXPENSES	0	130	94	224
20. TRAVEL	1,944	2,569	753	5,265
21. ENTERTAINMENT	0	165	0	165
22. REPAIRS & MAINTENANCE	2,055	20,521	3,614	26,190
23. SUPPLIES	2,032	2,260	4,125	8,417
24. ADVERTISING	0	170	0	170
25. OTHER (ATTACH LIST)	26,680	22,102	22,273	71,056
26. TOTAL OPERATING DISBURSEMENTS	394,497	1,022,774	529,677	1,946,948
<b>REORGANIZATION EXPENSES</b>				
27. PROFESSIONAL FEES	0	531,238	57,760	588,998
28. U.S. TRUSTEE FEES	0	0	6,500	6,500
29. OTHER (ATTACH LIST)	0	0	0	0
30. TOTAL REORGANIZATION EXPENSES	0	531,238	64,260	595,498
31. TOTAL DISBURSEMENTS	394,497	1,554,012	593,937	2,542,446
32. NET CASH FLOW	527,564	(827,310)	723,410	423,663
33. CASH - END OF MONTH	3,938,851	3,111,540	3,834,950	3,834,950